

## **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE**

1. This Class Action and PAGA Settlement Agreement and Release (the “Settlement Agreement,” “Settlement” or “Agreement”) is entered into between Plaintiff Sarah Magana (“Plaintiff”), individually and on behalf the Class Members and the Aggrieved Employees defined below, and Defendants Goya Foods of California, Inc. and Goya Foods, Inc. (collectively “Defendant”), subject to the approval of the Court. Plaintiff and Defendant are collectively referred to as the “Parties.”

### **DEFINITIONS**

2. The following terms used in this Settlement Agreement shall have the meanings ascribed to them below:

- a. “Action” means the Class Action and the PAGA Action.
- b. “Arbitration Subclass” means Class Members who signed a “Mutual Agreement to Arbitrate” with Defendant.
- c. “Aggrieved Employees” means all current and former hourly, non-exempt employees who worked for Defendant in California any time during the PAGA Release Period.
- d. “Class” or “Class Members” means all current and former hourly, non-exempt employees who worked for Defendant in California any time during the Class Release Period.
- e. The “Class Action” means the action *Sarah Magana v. Goya Foods of California, Inc., et al.*, Superior Court of the State of California, County of Los Angeles, Case Number 20STCV43233.
- f. “Class Counsel” means Schneider Wallace Cottrell Konecky LLP and Lawyers for Justice, P.C.
- g. “Class Counsel’s Costs” refers to the amount of the actual litigation expenses Class Counsel incurred in connection with the Action, currently estimated to be \$95,000, including their pre-filing investigation, their filing of the Action and all related litigation activities, and all post-Settlement compliance procedures.
- h. “Class List” means an electronic database containing a list of Class Members and Aggrieved Employees that Defendant will compile from its records. The Class List shall include: each Class Member’s and Aggrieved Employee’s (1) full name; (2) last known address; (3) last known email address (if any); (4) last known telephone number (if any); (5) Social Security number or tax ID number. The Class List shall also include: (6) the total number of workweeks that each Class Member worked/was employed during in the state of California during the Class Release Period; (7) the total number of workweeks that each Released Working Subclass Member worked/was employed during in the state of California between the signing of their respective “Settlement Agreement and Release of Claims” and the end of the Class Release Period; (8) the total number of workweeks that each Arbitration Subclass Member worked/was employed during in the state of California during the Class Release Period; and (9) the total

number of pay periods that each Aggrieved Employee worked/was employed during in the State of California during the PAGA Release Period. The Class List will also include an indication of whether the Class Member is also an Aggrieved Employee.

i. “Class Release Period” means any time between November 12, 2016 and November 14, 2024, inclusive. For Released Working Subclass Members, the Class Release Period means any time between the date they signed their respective Settlement Agreement and Release of Claims and November 14, 2024, or the Preliminary Approval Date, whichever is earlier.

j. “Court” means the Superior Court of the State of California, County of Los Angeles where the Class Action was filed, and where the Parties mutually agree to seek approval of this Settlement.

k. “Defendant” means Goya Foods of California, Inc. and Goya Foods, Inc.

l. “Defendant’s Counsel” means Ogletree, Deakins, Nash, Smoak & Stewart, P.C. and Littler Mendelson, P.C.

m. “Effective Date” means the date by when both of the following have occurred; the Court enters a judgement on its order granting final approval of the settlement, and the judgement is final. The judgment is final as of the latest of the following: (a) if there are no objections submitted, entry by the Court of a final approval order and judgment finally certifying the Settlement Class and approving the settlement (b) if there are objections to the settlement that have been filed and no appeal, writ, or other appellate proceeding is timely initiated, the day after the deadline for filing a notice of appeal from the judgment; or (c) if there are objections to the settlement that have been filed and any appeal, writ, or other appellate proceeding opposing the Court’s final approval order is timely filed, five (5) days after such proceeding is finally and conclusively dismissed with no right to pursue further remedies or relief (e.g. the appellate court affirms the judgment and issues a remittitur).

n. “Fee Award” means the award of attorneys’ fees that the Court authorizes to be paid to Class Counsel for the services they rendered to Plaintiff, Class Members, and the Aggrieved Employees in the Action. Class Counsel will not seek more than \$525,000.00, or thirty-five percent (35%) of the Gross Settlement Amount, as their Fee Award.

o. “Final” shall mean, with respect to a judgment or order, that the judgment or order is final and appealable and either (a) no appeal, motion, or petition to review or intervene has been taken with respect to the judgment or order as of the date on which all times to appeal, move, or petition to review or intervene therefrom have expired, or (b) if an appeal, motion or petition to intervene or other review proceeding of the judgment or order has been commenced, such appeal, motion or petition to intervene or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for rehearing en banc, petitions for writ of certiorari or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the judgment or order in its entirety. Notwithstanding the foregoing, any proceeding, order, or appeal pertaining solely to the award of attorneys’ fees, attorneys’ costs, or any Service Award shall not by itself in any way delay or preclude the judgment from becoming a final judgment or the Settlement from

becoming “Effective.”

p. “Final Approval” or “Final Approval Order” means the Court’s Final Approval Order approving the Settlement and entering judgment.

q. “Final Approval Hearing” means the hearing to be held by the Court to consider the Final Approval of the Settlement.

r. “Gross Settlement Amount” means the non-reversionary total amount that Defendant shall pay in connection with this Settlement, including any interest earned on such funds, in exchange for the release of the Participating Class Members’ and Aggrieved Employees’ Released Claims. The Gross Settlement Amount is the gross sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00), plus any amounts paid pursuant to the Escalator Clause in Section 28 below, and any interest. The Gross Settlement Amount includes: (a) all Settlement Awards to Participating Class Members; (b) PAGA Payment; (c) Service Award; (d) Attorneys’ Fees and Costs to Class Counsel; and (e) Settlement Administration Costs to the Settlement Administrator. Except for the Defendant’s employer’s portion of payroll taxes on Settlement Awards to Class Members (“Defendant’s Payroll Taxes”), the Parties agree that Defendant will have no obligation to pay any amount in connection with this Settlement Agreement apart from the Gross Settlement Amount and Defendant’s Payroll Taxes. There will be no reversion.

s. “Net PAGA Amount” means the Twenty-Five Percent (25%) of the PAGA Payment payable to the Aggrieved Employees.

t. “Net Settlement Amount” means the Gross Settlement Amount less: (i) Service Awards; (ii) Fee Award; (iii) Class Counsel’s Costs; (iv) Settlement Administrator Costs; (v) the payment to Labor and Workforce Development Agency (“LWDA”) for its share of PAGA penalties; and (vi) the Net PAGA Amount. The Parties acknowledge that all of these amounts are subject to the Court’s approval.

u. “Notice Deadline” means the date sixty (60) days after the Settlement Notice is initially mailed to the Class. Class Members shall have until the Notice Deadline to object to, or opt-out of, the Settlement.

v. “PAGA Action” means the action, *Sarah Magana v. Goya Foods of California, Inc., et al.*, Superior Court of California, County of Los Angeles, Case No. 21PSCV00004, including any and all related letters to the LWDA including any amended letters necessary to effectuate the Release.

w. “PAGA Payment” means the amount of the Gross Settlement Amount allocated to settle all claims and remedies under the Private Attorneys’ General Act, California Labor Code sections 2698, et seq. (“PAGA”). The PAGA Payment shall be Three Hundred Thousand Dollars (\$300,000.00), subject to Section 33.a.v, or an amount to be approved by the Court, of which seventy-five percent (75%), or Two Hundred Twenty-Five Thousand Dollars (\$225,000.00), shall be paid to the LWDA out of the Gross Settlement Amount and twenty-five percent (25%), or Seventy-Five Thousand Dollars (\$75,000.00), shall be paid to the Aggrieved Employees out of the Gross Settlement Amount.

- x. “Plaintiff” means Sarah Magana.
- y. “PAGA Release Period” means the period between October 31, 2019, and November 14, 2024, inclusive.

z. “Participating Class Member” means any Class Member who does not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement. Pursuant to the Court’s Preliminary Approval Order, should the Court exclude Released Subclass Members from the Class, Participating Class Members will mean any Class Member who is not a Released Subclass Member and who does not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement. Pursuant to the Court’s Preliminary Approval Order, should the Court exclude Released Working Subclass Members from the Class, Participating Class Members will mean any Class Member who is not a Released Working Subclass Member and who does not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement. Pursuant to the Court’s Preliminary Approval Order, should the Court exclude Arbitration Subclass Members from the Class, Participating Class Members will mean any Class Member who is not an Arbitration Subclass Member and who does not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement. All Participating Class Members will be bound by all terms and conditions of the Settlement Agreement, including the release of the applicable Released Claims.

aa. “Parties” means the parties to this Agreement: Plaintiff Sarah Magana and Defendant Goya Foods of California, Inc. and Defendant Goya Foods, Inc.

bb. “Preliminary Approval” or “Preliminary Approval Order” means the Court’s Preliminary Approval Order preliminarily approving the terms and conditions of this Agreement.

cc. “Released Claims” means the certified Class Claims and all PAGA claims that could have been or actually were pled, *i.e.*, the Released Class Claims and Released PAGA Claims. The “Released Class Claims” are the claims that were certified by the Court on July 10, 2024: specifically, the meal break claims, the rounding claims, and the wage statement claims which were specifically derivative of the meal and rounding claims. The “Released PAGA Claims” also include all PAGA claims that were alleged or could have been alleged based on the facts alleged in the Action, including the operative complaint and PAGA notice(s) to the LWDA, and any subsequently amended complaints or letters, which include claims to recover penalties against Defendant for its violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

dd. “Releasees” or “Released Parties” means Defendant Goya Foods of California, Inc., Defendant Goya Foods, Inc. and all of their parent companies, subsidiaries, divisions, concepts, related or affiliated companies, and their respective shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity that could be liable for any of the Released Claims.

ee. “Released Subclass” means Class Members who Defendant solicited to

sign and did sign releases, the “Settlement Agreement and Release of Claims,” in exchange for an agreed-upon sum, and who did not continue working for Defendant after the execution of the Settlement Agreement and Release of Claims.

ff. “Released Working Subclass” means Class Members who Defendant solicited to sign and did sign releases, the “Settlement Agreement and Release of Claims,” in exchange for an agreed-upon sum, who continued working for Defendant after the execution of the Settlement Agreement and Release of Claims.

gg. “Released Subclass Payment” means the payment to each Released Subclass Member and Released Working Subclass Member in consideration for the release of any remaining Released Class Claims between November 12, 2016, and the date they signed their respective Settlement Agreement and Release of Claims. This payment shall be \$50.00 for each qualifying Released Subclass Member and Released Working Subclass Member.

hh. “Service Award” means the payment to Plaintiff Sarah Magana for her efforts in bringing and prosecuting this matter. The Service Award will not exceed Twenty Thousand Dollars (\$20,000.00) for Plaintiff Sarah Magana.

ii. “Settlement Administrator” means Apex Class Action Administration LLC, the third-party class action settlement administrator that will handle the administration of this Settlement, subject to approval by the Court.

jj. “Settlement Administrator Costs” refer to the costs the Settlement Administrator will incur to distribute the Settlement Notice and Settlement Awards and Individual PAGA Payments, which are estimated to be Six Thousand Nine Hundred Dollars (\$9,499.00).

kk. “Settlement Award” means the payment that each Participating Class Member shall be entitled to receive pursuant to the terms of this Agreement.

ll. “Settlement Notice” means the Notice of Class Action Settlement to be issued to Class Members, including Aggrieved Employees and the Plaintiff, substantially in the form of Exhibit A attached hereto, or as approved by the Court.

### **RECITALS**

3. On November 12, 2020, Plaintiff Sarah Magana filed her Class Action asserting claims under the California Labor Code, against Goya Foods of California, Inc. And Goya Foods, Inc. Plaintiff asserted claims on behalf of a California class, defined as: “All current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California at any time during the period from four years preceding the filing of this Complaint to final judgment and who reside in California.” Defendant filed its Answer on February 10, 2021, denying Plaintiff’s allegations.

4. On January 4, 2021. Plaintiff Sarah Magana filed her separate PAGA Action in the Superior Court of California, County of Los Angeles, to assert additional claims for penalties under the California Private Attorneys General Act of 2004 (“PAGA”) § 2699 arising from Defendant’s

violations of the Cal. Lab. Code: *Sarah Magana v. Goya Foods of California, Inc., et al.*, Superior Court of California, County of Los Angeles, Case No. 21PSCV00004. Defendant filed its Answer on May 7, 2021, denying Plaintiff's allegations.

5. On September 2, 2021, these cases were deemed related via stipulated court order. On June 30, 2022, following the Parties' first unsuccessful mediation, Plaintiff filed her operative First Amended Complaint in the Class Action. Specifically, the First Amended Complaint in the Class Action asserted claims for: (1) Unpaid Overtime, (2) Unpaid Meal Period Premiums, (3) Unpaid Rest Period Premiums, (4) Unpaid Minimum Wages, (5) Final Wages Not Timely Paid, (6) Wages Not Timely Paid During Employment, (7) Non-Compliant Wage Statements, (8) Failure to Keep Requisite Payroll Records, (9) Unreimbursed Business Expenses, and (10) Violation of California Business & Professions Code 17200, *et seq.*

6. Through the Class and PAGA Actions, Plaintiff alleges that Defendant violated the wage and hour laws of California by failing to pay non-exempt, hourly employees earned wages. On this basis, Plaintiff brought claims against Defendant for unpaid minimum wages and overtime wages, failure to pay all hours worked, inaccurate wage statements, failure to timely pay wages during employment and at termination, meal and rest break premiums, failure to keep records, unreimbursed expenses, unfair competition, and civil penalties under the PAGA.

7. On May 12, 2022, the Parties attended private mediation with Jeff Krivis in an attempt to resolve the above matters. Ultimately, the Parties did not exchange settlement numbers, and the mediation was not successful. After the Parties' first unsuccessful mediation, Plaintiff filed a First Amended Complaint on June 30, 2022, adding additional detail regarding Plaintiff's claims.

8. On August 11, 2023, the Parties again attempted to mediate the case with another mediator, Judge Raul Ramirez. The Parties exchanged multiple offers, but this second mediation was also unsuccessful.

9. Following the Parties' unsuccessful attempts to informally resolve this matter, the Parties reengaged in litigation, including multiple depositions. Through the discovery process, Plaintiff obtained class data, including all time and payroll data for putative class members until June 2023. These documents were analyzed by Plaintiff's expert, David Breshears, who prepared a report of his findings for Plaintiff's Motion for Class Certification, which was filed on March 4, 2024.

10. On November 5, 2024, the Parties participated in a full-day mediation before respected wage and hour mediator Steve Pearl. The case did not settle that day. The Parties subsequently agreed to the mediator's proposal, which included the substantive terms of the settlement, on November 14, 2024. The Parties thereafter negotiated the specific terms of this Settlement and have agreed to settle all pending litigation as provided in this Agreement.

11. Class Counsel has made a thorough and independent investigation of the facts and law relating to the allegations in the Action. In agreeing to this Settlement Agreement, Plaintiff has considered: (a) the facts developed during pre-mediation, informal discovery and the Parties' mediation process and the law applicable thereto; (b) the extent of the formal discovery already

completed in this action; (c) the attendant risks of continued litigation and the uncertainty of the outcome of the claims alleged against Defendant; and (d) the desirability of consummating this Settlement according to the terms of this Settlement Agreement. Plaintiff has concluded that the terms of this Settlement are fair, reasonable and adequate, and that it is in the best interests of Plaintiff, the Class Members (as defined above), and the Aggrieved Employees (as defined above) to settle their claims against Defendant pursuant to the terms set forth herein.

12. Defendant denies all claims as to liability, damages, penalties, interest, fees, and all other forms of relief. Defendant has agreed to resolve the Action via this Settlement, but to the extent this Settlement Agreement is deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Action upon all procedural, merits, and factual grounds, including, without limitation, the ability to challenge class and/or representative action treatment on any grounds, as well as asserting any and all other privileges and potential defenses. This Settlement Agreement shall not be construed as an admission by Defendant or any of the Releasees (as defined above) of any fault, liability or wrongdoing, which Defendant expressly denies.

13. To the extent this Settlement Agreement is deemed void or the Effective Date does not occur, the Plaintiff and Class Counsel (as defined above) agree that Defendant retains and reserves these rights stated in the preceding sentence, and to the extent this Settlement Agreement is deemed void or the Effective Date does not occur, the Plaintiff and Class Counsel agree not to argue or present any argument, and hereby waive any argument, that based on this Settlement Agreement, Defendant cannot contest class certification or representative action treatment on any grounds whatsoever or assert any and all other privileges or potential defenses if the Action were to proceed.

14. The Parties recognize that notice to the Class of the material terms of this Settlement, as well as Court approval of this Settlement, are required to effectuate the Settlement, and that the Settlement will not become operative until the Court grants final approval of it, the Settlement becomes Final, and the Effective Date occurs.

15. The Parties stipulate and agree that, for settlement purposes only, the requisites for establishing class certification pursuant to C.C.P. § 382 are met. Should this Settlement not become Final, such stipulation to certification shall become null and void and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not class certification would be appropriate in a non-settlement context. Defendant denies that class and/or representative action treatment is appropriate in the litigation context or for trial.

16. In the event the Settlement is not approved, the Parties agree that the Parties shall be placed in the same position as they were in immediately prior to execution of this Settlement Agreement. Defendant agrees that no statute of limitations on any claim would run against Plaintiff or any Class Member from and including November 14, 2024, until and including the date the Court issues an order denying final approval of the Settlement (except those claims that are already barred by any applicable statute of limitations).

17. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, IT IS HEREBY AGREED, by and between the undersigned, subject to the final approval of the Court and the other

conditions set forth herein, that Plaintiff's, the Participating Class Members', and the Aggrieved Employees' claims as described herein against Defendant shall be settled, compromised and dismissed, on the merits and with prejudice, and that the Plaintiff's, the Participating Class Members', and the Aggrieved Employees' Released Claims shall be finally and fully compromised, settled and dismissed as to the Defendant and Releasees, in the manner and upon the terms and conditions set forth below.

### **RELEASES**

18. **Released Claims.** Upon Final Approval of the Settlement Agreement and payment of amounts set forth herein, and except as to such rights or claims as may be created by this Settlement Agreement, Named Plaintiff on behalf of Aggrieved Employees and the LWDA, and all Participating Class Members (on behalf of themselves and their respective former and present representatives, agents, attorneys, executors, heirs, administrators, successors, and assigns), shall and hereby do release and discharge all Releasees, finally, forever and with prejudice, from any and all claims, known or unknown, that were alleged, or that could have been alleged based on the facts alleged, related to, or ascertained in the Action, as follows:

- a. **Released Class Claims:** Participating Class Members shall release the Releasees from the Released Class Claims against the Defendant. This release of the Released Class Claims shall run through Class Release Period.
- b. **Released PAGA Claims:** Plaintiff, on behalf of the State of California, and the Aggrieved Employee shall release the Releasees from all claims and rights to recover civil penalties, costs, expenses, attorneys' fees, interest, injunctive relief, declaratory relief, or accounting, against the Defendant for the Released PAGA Claims. The Parties agree that there shall be no right for any Aggrieved Employee to opt out or otherwise exclude himself or herself from the release of PAGA claims. This release of the Released PAGA Claims shall run through the PAGA Release Period.

19. **Plaintiff's Released Claims.** In addition to the releases made in Section 18 above, in the event a service award is awarded to Plaintiff Sarah Magana, Plaintiff, in consideration of the service award shall and hereby does expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had relating to the Plaintiff's Released Claims pursuant to Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

### **CERTIFICATION, NOTICE, AND SETTLEMENT IMPLEMENTATION**

20. The Parties agree to the following procedures for obtaining Preliminary Approval of the Settlement, certifying the Class, and notifying the Class of this Settlement:

- a. **Request for Preliminary Approval Order.** Plaintiff shall file an Unopposed Motion for Preliminary Approval of Settlement Agreement, requesting that the Court preliminarily approve the Settlement Agreement and its terms; approve the proposed form of the Settlement Notice and find that the proposed method of disseminating the Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances; set a date for Plaintiff's motion for Final Approval of the Settlement, and approval of the requested Service Award, Fee Award, Class Counsel's Costs, and Settlement Administrator's Costs; and set a date for the Final Approval Hearing.
- b. **Notice.** The Settlement Administrator shall be responsible for preparing, printing, mailing, and emailing the Settlement Notice to all Class Members. The Settlement Administrator will also create a website for the Settlement, which will allow Class Members to view the Class Notice (in generic form), this Settlement Agreement, and all papers filed by Class Counsel to obtain preliminary and final approval of the Settlement Agreement. Additionally, the Settlement website will provide contact information for Class Counsel and the Settlement Administrator. The Settlement Administrator will provide Class Counsel and Defendant's counsel with a preview of the proposed website. Class Counsel must approve the website before it goes live and also must approve any modifications to the website. The Settlement Administrator shall also create a toll-free call center to field telephone inquiries from Class Members during the notice and settlement administration periods. The Settlement Administrator will be directed to take the website and call center down after the 180-day check cashing period for Settlement Award Checks.
- c. Within ten (10) business days after the Court's Preliminary Approval of the Settlement, Defendant shall provide to the Settlement Administrator and Class Counsel the Class List in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Settlement Administrator and Class Counsel must maintain the Class List in confidence, use the Class List only for purposes of this Settlement and for no other purpose and restrict access to the Class List to employees who need access to the Class List to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class List omitted employee identifying information and to provide a corrected or updated Class List as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class List to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class List information.
- d. In order to provide the best notice practicable, prior to mailing the Settlement Notice, the Settlement Administrator will take reasonable efforts to identify current addresses via public and proprietary systems.

- e. Within ten (10) business days after receiving the contact information for the Class Members, the Settlement Administrator shall mail and email (if email addresses are available) the agreed-upon and Court-approved Settlement Notice to Class Members. The Settlement Administrator shall provide notice to Class Counsel and Defendant's Counsel that the Settlement Notice has been mailed.
- f. Any Settlement Notice returned to the Settlement Administrator with a forwarding address shall be re-mailed within three (3) business days following receipt of the returned mail. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Participating Class Member and/or Aggrieved Employee involved, and shall re-mail the Notice of Settlement.
- g. Within ten (10) business days after the Notice Deadline, the Settlement Administrator shall provide Defendant's Counsel and Class Counsel, respectively, a report showing: (i) the names of Class Members and Aggrieved Employees; (ii) the Settlement Awards owed to each Class Member and Aggrieved Employee; (iii) the names of the Released Subclass Members, (iv) the final number of Class Members who have submitted objections or valid letters requesting exclusion from the Settlement; and (v) the number of undeliverable Notices of Settlement. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for all Parties and the Court. This written certification shall include the total number of Participating Class Members and Aggrieved Employees, the average recovery per Participating Class Member and Aggrieved Employee, the median recovery per Participating Class Member and Aggrieved Employee, the largest and smallest amounts paid to Participating Class Member and Aggrieved Employee, and the number and value of checks not cashed.
- h. Defendant will not take any adverse action against any current or former employee on the grounds that he/she is eligible to participate and/or does participate in the Settlement. Defendant will not discourage participation in this Settlement Agreement or encourage objections or opt-outs.
- i. Within ten (10) business days after the conclusion of the 180-day check cashing period below, the Settlement Administrator shall provide Defendant's Counsel and Class Counsel, respectively, a report regarding the total amount of any funds that remain from checks that are returned as undeliverable or are not negotiated.

21. **Disputes Regarding Workweeks and/or Pay Periods.** To the extent that any Class Member disputes the number of workweeks that the Class Member worked, as shown in his or her Settlement Notice, such Class Members may produce evidence to the Settlement Administrator establishing the dates they contend to have worked for Defendant. Weeks "worked" for purposes of this settlement will be determined by reference to timekeeping, payroll, and/or other records.

The deadline for Class Members to submit disputes pursuant to this paragraph is the Notice Deadline (disputes must be postmarked by the Notice Deadline). Unless the Class Member presents convincing evidence proving he or she worked more workweeks than shown by Defendant's records, his/her Settlement Award will be determined based on Defendant's records. The Settlement Administrator shall notify counsel for the Parties of any disputes it receives. Defendant shall review its records and provide further information to the Settlement Administrator, as necessary. The Settlement Administrator shall provide a recommendation to counsel for the Parties. Counsel for the Parties shall then meet and confer in an effort to resolve the dispute. If the dispute cannot be resolved by the Parties, it shall be presented to the Court for a resolution. The Settlement Administrator will notify the disputing Class Member of the decision.

22. **Objections.** The Settlement Notice shall provide that Class Members who wish to object to the Settlement must, on or before the Notice Deadline, submit to the Settlement Administrator a written statement objecting to the Settlement. The statement must be signed personally by the objector, and must include the objector's name, address, telephone number, email address (if applicable), the case name and number, and must lay out, in clear and concise terms, a statement of the reasons why the objector believes the Court should find the Settlement is not in the best interest of the Class Members and the reasons why the Settlement should not be approved, and the factual and legal grounds for the objection. If the objector also wishes to appear at the Final Approval Hearing, in person or through an attorney, they may do so. The Settlement Notice shall advise Class Members that objections shall only be considered if the Class Member has not opted out of the Settlement. A Class Member who elects to send a written objection to the Administrator must do so no later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). Absent good cause found by the court, persons who fail to make timely objections in the manner specified above shall be deemed to have waived any objections and oppositions to the Settlement's fairness, reasonableness and adequacy, and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement.

23. **Requests for Exclusion.** The Settlement Notice shall provide that Class Members, other than Plaintiff, who wish to exclude themselves from the Settlement ("opt out") must mail to the Settlement Administrator a written statement indicating that they do not wish to participate or be bound by the Settlement. The written request for exclusion must contain the Class Member's full name, address, telephone number, email address (if applicable), and last four digits of their social security number, and must be signed individually by the Class Member. No opt-out request may be made on behalf of a group. Such written statement must be postmarked by the Notice Deadline. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to exclude themselves from the settlement.

24. **Cure Period.** In the event any request for exclusion is timely submitted but does not contain sufficient information to be valid, the Settlement Administrator shall provide the Class Member, within seven (7) calendar days, a letter requesting the information that was not provided and giving the Class Member fourteen (14) days from the mailing of such cure letter to respond. Any invalid submission that is not timely cured will be considered a nullity.

25. **Final Approval Hearing.** Class Counsel will be responsible for drafting the Unopposed Motion for Final Approval of Settlement Agreement, and approval of the requested Service Awards, Fee Award, Class Counsel's Costs, and Settlement Administrator's Costs to be

heard at the Final Approval Hearing. Plaintiff shall request that the Court schedule the Final Approval Hearing no earlier than thirty (30) days after the Notice Deadline to determine final approval of the settlement and to enter a Final Approval Order:

- a. certifying this Action and Class as a class action Cal. Civ. Code Proc. § 382 for purposes of settlement only;
- b. finding dissemination of the Settlement Notice was accomplished as directed and met the requirements of due process;
- c. approving the Settlement as final and its terms as a fair, reasonable and adequate;
- d. approving the payment of the Service Award to Named Plaintiff Sarah Magana;
- e. approving Class Counsel's application for an award of attorneys' fees and reimbursement of out-of-pocket litigation costs and expenses;
- f. directing that the Settlement funds be distributed in accordance with the terms of this Settlement Agreement;
- g. directing that the Action be dismissed finally, fully, forever and with prejudice and in full and final discharge of any and all Participating Class Members and Aggrieved Employees' Released Claims; and
- h. retaining continuing jurisdiction over this Action for purposes only of overseeing all settlement administration matters.

26. **Post Judgment Report.** At the conclusion of the 180-day check cashing period, and following receipt of the Settlement Administrator's report showing the total funds that were actually paid to Participating Class Members and Aggrieved Employees, Class Counsel shall submit a post-judgment report to the Court of regarding any funds that remain from checks that are returned as undeliverable or are not negotiated.

#### **SETTLEMENT FUNDS AND AWARD CALCULATION**

27. **Funding of Settlement.** The Settlement Administrator will administer this Settlement. Within ten (10) days of the Effective Date, Defendant shall fund the settlement into the Settlement Administrator's designated account. Defendant shall not have access to the Gross Settlement Amount, or to any earned interest on the Gross Settlement Amount, once those funds are deposited into the Settlement Administrator's designated account. Any interest gained on the Gross Settlement Amount in the Settlement Administrator's designated account shall be deemed part of the Gross Settlement Amount. The Gross Settlement Amount is fully non-reversionary. All disbursements shall be made from the Gross Settlement Amount.

28. **Escalator Clause.** Defendant estimates that there were approximately 24,480 weeks for approximately 209 employees for the period of November 12, 2016 through October 11,

2024. Further, Defendant estimates that there are 121 members of the Released Subclass. Plaintiff is entering into this Settlement Agreement based on such representations. In the event it is determined that the actual number of employees exceeds 209 or the actual number of workweeks exceeds 24,480 by more than ten percent (10%) during the Class Release Period, Defendant will have the option of either: (a) increasing the Gross Settlement Amount proportionally; or (b) shortening the release period by modifying the end dates of the Class Release Period and PAGA Release Period by a necessary number of workweeks to bring the total number of workweeks to 24,480. Defendant and Plaintiff agree to meet and confer before such a reduction takes place, and Defendant agrees to sign an attestation verifying the reduction should the workweeks be reduced.

29. **Payments.** Subject to the Court's Final Approval Order, the following amounts shall be paid by the Settlement Administrator from the Gross Settlement Amount:

- a. **Service Award to Plaintiff.** Subject to the Court's approval, Plaintiff Sarah Magana shall receive Twenty Thousand Dollars (\$20,000.00) in exchange for Plaintiff's Released Claims and for her efforts in bringing and prosecuting this matter. This payment shall be made within ten (10) days after the Defendant deposits the Gross Settlement Amount into the Settlement Administrator's designated account. If the Court approves the Service Award in an amount less than what Plaintiff requests, the reduction in the Service Award shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Service Award in any way delay or preclude the judgment from becoming a final judgment or the Settlement from becoming Effective. The Plaintiff assumes full responsibility for paying all taxes, if any, due as a result of the Service Award.
- b. **Fee Awards and Costs.**
  - i. Subject to the Court's approval, Class Counsel shall receive the Fee Award, which will compensate Class Counsel for all work performed in the Action as of the date of this Settlement Agreement as well as all of the work remaining to be performed, including but not limited to documenting the Settlement, securing Court approval of the Settlement, making sure that the Settlement is fairly administered and implemented, and obtaining final dismissal of the Action. In addition, Class Counsel shall, subject to Court approval, receive reimbursement of Class Counsel's Costs. These payments of attorneys' fees and costs shall be made within ten (10) days after the Defendant deposits the Gross Settlement Amount into the Settlement Administrator's designated account. If the Court approves a Fee Award and/or Class Counsel's Costs in an amount less than what Plaintiff requests, the reduction in the Fee Award and/or Class Counsel's Costs shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Fee Award and/or Class Counsel's Costs in any way delay or preclude the judgment from

becoming a final judgment or the Settlement from becoming Effective.

- ii. An IRS Form 1099 shall be provided to Class Counsel for the payments made to Class Counsel. Class Counsel shall be solely and legally responsible to pay any and all applicable taxes on the payment made to them.
- c. **Labor and Workforce Development Agency Payment.** Subject to Court approval, and/or subject to Section 33.a.v, the Parties agree that the amount of Three Hundred Thousand Dollars (\$300,000.00) from the Gross Settlement Amount will be paid in settlement of all representative claims brought in the Action by or on behalf of Plaintiff and Aggrieved Employees under the PAGA. Pursuant to PAGA, Seventy-Five Percent (75%), or \$225,000.00, of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or \$75,000.00, will be allocated to the Net PAGA Amount to be paid to the Aggrieved Employees. The payment to the LWDA shall be made by the Settlement Administrator within ten (10) days after Defendant deposits the Gross Settlement Amount into the Settlement Administrator's designated account.
- d. **Settlement Administration Costs.** A Settlement Administrator Costs payment not to exceed \$9,499.00 except for a showing of good cause and as approved by the Court shall be paid from the Gross Settlement Amount. To the extent the Settlement Administration Costs are less or the Court approves payment less than \$9,499.00, the Settlement Administrator will retain the remainder in the Net Settlement Amount. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs incurred in the administration of the Settlement.
- e. **Settlement Awards to Eligible Class Members and Individual PAGA Payments to Aggrieved Employees.** Settlement Awards and Individual PAGA Payments shall be made to Participating Class Members and Aggrieved Employees as set forth below.

30. **No Claim Based Upon Distributions or Payments in Accordance with this Settlement Agreement.** No person shall have any claim against Plaintiff, Defendant, Class Counsel, or Defendant's Counsel based on distributions or payments made in accordance with this Settlement Agreement.

#### **CALCULATION AND DISTRIBUTION OF SETTLEMENT AWARDS AND INDIVIDUAL PAYMENTS**

31. **Settlement Award And Individual PAGA Payment Eligibility.** All Participating Class Members and Aggrieved Employees shall be paid a Settlement Award from the Net Settlement Amount.

32. Any Class Member who fails to submit a timely request to exclude themselves from the Settlement by following the procedure set forth in the Settlement Notice shall automatically be deemed a Participating Class Member whose rights and claims with respect to the issues raised in the Action are determined by any order the Court enters granting final approval, and any judgment the Court ultimately enters in the Action. Any such Class Member's rights to pursue any Released Claims (as defined in this Settlement Agreement) will be extinguished.

33. **Settlement Award Calculations.** The Settlement Administrator shall be responsible for determining the amount of the Settlement Award to be paid to each Participating Class Member and Aggrieved Employee based on the below formulas:

- a. Participating Class Members who are also Released Subclass Members or Released Working Subclass Members shall receive a portion of the Net Settlement Amount as follows:
  - i. When calculating the individual Released Subclass Payment to each Participating Class Members who are also Released Subclass Members or Released Working Subclass Members following Final Approval (for purposes of preparing Individual Settlement Payment checks), the Settlement Administrator will not include Released Subclass Members or Released Working Subclass Members who validly request exclusion from the Settlement.
  - ii. Each Released Subclass Member and Released Working Subclass Member shall receive a payment of \$50 in consideration for their class claims prior to the dates of their release agreements, based on the possibility that the releases could be contested/invalidated. The payments to the Released Subclass and Released Working Subclass shall be made from the Net Settlement Amount.
  - iii. In the event the Court does not approve payment to the Released Subclass and/or to the Released Working Subclass, the removal of the Released Subclass and/or Released Working Subclass shall not be a basis for nullification of this Settlement. Nor shall a reduction or increase in the payment to the Released Subclass and/or Released Working Subclass in any way delay or preclude the judgment from becoming a final judgment or the Settlement from becoming Effective.
  - iv. In the event the Court does not approve payment to the Released Subclass and/or to the Released Working Subclass, the Released Subclass and/or Released Working Subclass, as applicable, will be deemed excluded from the Settlement and receive no payments under the Settlement. There will be no revocation or rescission of the Settlement based on the Court's approval or denial of payments to the Released Subclass and/or Released Working Subclass.
  - v. In the event the Court does not approve payment to either the

Released Working Subclass and/or the Arbitration Subclass, the PAGA Payment shall be increased by a certain percentage. If the Court does not approve payment to the Released Working Subclass, 2% originally allocated to the payment of the Class will instead be allocated to the PAGA Payment; if the Court does not approve payment to the Arbitration Subclass, 10% originally allocated to the payment of the Class will instead be allocated to the PAGA payment; however, if the Court does not approve payment to the Released Subclass, no additional allocation to the PAGA Payment will be made for that reason. If the Court does not approve payment to both Released Working and Arbitration subclasses, a maximum of 12% originally allocated to the payment of the Class will instead be allocated to the PAGA Payment.

- b. Participating Class Members who are not also members of the Released Subclass shall receive a *pro rata* portion of the Net Settlement Amount, after the \$50 payments are made pursuant to Section 33.a.ii, as follows:
  - i. When calculating the individual Settlement Awards to Participating Class Members following Final Approval (for purposes of preparing Individual Settlement Payment checks), the Settlement Administrator will not include Class Members who validly request exclusion from the Settlement.
  - ii. For each week during which the Participating Class Member who is not also a member of the Released Subclass worked for either Defendant at any time during the Class Release Period, he or she shall be eligible to receive a *pro rata* portion of the Net Settlement Amount after the payment to the Released Subclass, as described above in Section 33.a.ii, based on the number of workweeks the Participating Class Member worked during the Class Release Period, as defined in Section 2.i. Each workweek will be equal to one (1) settlement share.
  - iii. With respect to the Participating Class Members who are also Released Working Subclass Members, such individuals shall be eligible to receive a *pro rata* portion of the Net Settlement Amount as described in the above paragraph, but the number of settlement shares counted for each Released Working Subclass Member's individual Settlement Award shall be based only on the number of workweeks that individual worked between the date the individual signed their respective Settlement Agreement and Release of Claims and the last day of the Class Release Period.
  - iv. The total number of settlement shares for all Participating Class Members who are not also members of the Released Subclass will be added together and the resulting sum will be divided into the Net

Settlement Amount to reach a per share dollar figure. That figure will then be multiplied by each Participating Class Member's number of settlement shares to determine the Participating Class Member's *pro rata* portion of the Net Settlement Amount.

- c. Aggrieved Employees shall also receive a *pro rata* portion of the Net PAGA Amount. Class Members who are also Aggrieved Employees and who validly request exclusion from the Settlement will receive a *pro rata* portion of the Net PAGA Amount. These payments shall be made as follows:
  - i. For each week during which the Aggrieved Employee performed work for Defendant as alleged in the Actions, he or she shall be eligible to receive a *pro rata* portion of the Net PAGA Amount based on the number of workweeks the Aggrieved Employee worked at any time in California between October 31, 2019 and 60 days from November 14, 2024, or the Preliminary Approval Date, whichever comes sooner. The resulting share of the Net PAGA Amount per Aggrieved Employee, if any, will be added to the Aggrieved Employee's share of the Net Settlement Amount, to determine the Aggrieved Employee's Settlement Award.
  - d. The total number of workweeks worked by Participating Class Members and/or Aggrieved Employees may be determined by reference to weeks worked or weeks employed, as reflected in timekeeping, payroll, HRIS, and/or other records.
  - e. For purposes of this paragraph 33, a partial workweek during which the start date or end date of the Class Release Period or the PAGA Release Period falls shall count as one workweek.

34. In addition to other information contained on the Settlement Notice, the Settlement Notice shall state the estimated payment the class member is expected to receive assuming full participation of all Participating Class Members and Aggrieved Employees.

35. All Settlement Award determinations shall be based on Defendant's timekeeping, payroll, and/or other records. If the Parties determine, based upon further review of available data, that a person previously identified as being a Class Members or Aggrieved Employees is not a Class Member or Aggrieved Employee, or an individual who was not previously identified as a Class Member or Aggrieved Employee is in fact a Class Member or Aggrieved Employee but was not so included, the Settlement Administrator shall promptly make such addition or deletion as appropriate.

36. **Settlement Award Allocations.** Any portion of each Settlement Award that is provided from the Net PAGA Amount to Aggrieved Employees shall be allocated as penalties. For the remainder of each Settlement Award, twenty percent (20%) of each Settlement Award shall be allocated as wages, eighty percent (80%) of each Settlement Award shall be allocated as interest and penalties. Settlement Awards will be paid out to Participating Class Members subject to reduction for all employee's share of withholdings and taxes associated with the wage-portion of

the Settlement Awards, for which Participating Class Members shall be issued an IRS Form W-2. Participating Class Members and Aggrieved Employees will also be issued an IRS Form 1099 for the portions of the Settlement Awards that are allocated to penalties, expense reimbursements, and interest. Defendant shall pay the employer's share of all required FICA and FUTA taxes on the wage portions of the Settlement Awards. The Settlement Administrator shall calculate the amount of the employer's share of payroll taxes and provide Defendant with the total employer tax contributions within five (5) business days after the final settlement payment calculations are approved. Defendant shall deposit the calculated employer tax contributions into the Settlement Administrator's designated account within fourteen (14) business days after the Settlement Administrator provides Defendant with the amount of the total employer tax contributions due. Defendant shall cooperate with the Settlement Administrator to provide payroll tax information as necessary to accomplish the income and employment tax withholding on the wage portion of each Settlement Award, and the Form 1099 reporting for the non-wage portion of each Settlement Award.

37. Class Counsel and Defendant's Counsel do not intend this Settlement Agreement to constitute legal advice relating to the tax liability of any Class Member or Aggrieved Employee. To the extent that this Settlement Agreement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

38. The Settlement Administrator shall mail all Settlement Awards to Participating Class Members within ten (10) days after the Defendant deposits the Gross Settlement Amount into the Settlement Administrator's designated account. The Settlement Administrator shall then provide written certification of mailing to Class Counsel and Defendant's Counsel.

39. The Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a final report of all calculated Settlement Awards paid to Participating Class Members and Aggrieved Employees, no more than fourteen (14) days after the Effective Date.

40. All Settlement Award checks shall remain valid and negotiable for one hundred eighty (180) days from the date of their issuance and may thereafter automatically be canceled if not cashed within that time, at which time the right to recover any Settlement Award will be deemed void and of no further force and effect.

41. With ninety (90) days remaining, a reminder postcard will be sent via U.S. mail and email to those who have not yet cashed their settlement check. At the conclusion of the 180 day check cashing deadline, Participating Class Members or Aggrieved Employees who have not cashed their Settlement Award checks shall nevertheless be deemed to have finally and forever released the Plaintiff's Released Claims or Participating Class Members' Released Claims, as applicable.

42. **Remaining Monies.** If at the conclusion of the 180-day check cashing period set forth above, any funds remain from checks that are returned as undeliverable or are not negotiated, those monies shall be distributed as follows, subject to the Court's approval.

- a. If the total residual amount is less than \$25,000 then the amount will revert to *cy pres*. The *cy pres* recipient shall be proposed by the parties and approved by the Court. The Parties propose Legal Aid Foundation of Los Angeles. The Settlement Administrator shall distribute any *cy pres* payment.
- b. If the total residual amount is \$25,000 or greater, a second distribution will occur to those Participating Class Members who cashed their Settlement Award check. The second distribution will occur on a *pro rata* basis as provided for in this Agreement. The second distribution's checks shall remain valid and negotiable for thirty (30) days from the date of their issuance and may thereafter automatically be canceled if not cashed within that time. In the event of a redistribution of uncashed check funds to Participating Class Members who cashed their Settlement Award check, the additional settlement administration costs related to the redistribution will be deducted from the total amount of uncashed checks prior to the redistribution. If a check to a Participating Class Member is returned to the Settlement Administrator as undeliverable during the second distribution, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace search and, if another address is identified, shall mail the check to the newly identified address. If there are uncashed check funds remaining from redistribution as described in this Paragraph, then the amount will revert to *cy pres*.
- c. Within twenty-one (21) days after the final distribution of any remaining monies to Participating Class Members who cashed their Settlement Award check or to the *cy pres* recipient, Plaintiffs will file a Post-Distribution Accounting. The Post-Distribution Accounting will set forth the total settlement fund, the total number of Participating Class Members and Aggrieved Employees, the total number of Participating Class Members and Aggrieved Employees to whom notice was sent and not returned as undeliverable, the number and percentage of opt-outs, the number and percentage of objections, the average and median recovery per Participating Class Member and Aggrieved Employee, the largest and smallest amounts paid to Participating Class Members and Aggrieved Employees, the method(s) of notice and the method(s) of payment to Participating Class Members and Aggrieved Employees, the number and value of checks not cashed, the amounts distributed to the *cy pres* recipient (if applicable), the administrative costs, the attorneys' fees and costs, the attorneys' fees in terms of percentage of the settlement fund, and the multiplier, if any.

43. **Equitable/Injunctive Components.** Defendant agrees to propose revisions to certain policies to Plaintiff's Counsel. Plaintiff's Counsel agrees to review these proposed revisions to confirm the new policies address Defendant's alleged labor code violations. Defendant agrees to implement the policies as agreed upon by Plaintiff's Counsel and shall provide a signed affidavit confirming the implementation of these policies. These changes must include:

- a. Defendant must confirm that employees are now paid for all time recorded as worked.

- b. Defendant must create a policy to permit employees to take full, off-duty, timely, and compliant rest breaks, as well as a practice and/or policy of paying rest break premiums for missed, untimely, on-duty, or interrupted rest breaks.
- c. Defendant must confirm its meal break policy and practice allows for the tracking and payment of meal break premiums for missed, untimely, on-duty, or interrupted meal breaks.
- d. Defendant must confirm its overtime policy allows for the payment of all overtime actually worked, regardless of whether such work time was pre-approved by a supervisor. Defendant must implement their new overtime policy which does not require authorization for employees to receive overtime payments for work performed over the eighth hour in a day, the fortieth hour in a week, or during the seventh day of consecutive work.
- e. Defendant must inform employees of the methods by which they can review and modify as needed their work time entries after they are entered.
- f. Defendant must implement a practice of including in the regular rate for purposes of computing overtime all bonuses and incentives that by law must be included in that calculation (*e.g.*, non-discretionary bonuses or incentive payments).

### **MISCELLANEOUS**

44. **Submissions to the LWDA.** At the same time as they submit this Class Action Settlement Agreement to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Agreement to the LWDA, as required by California Labor Code § 2699(l)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(l)(3).

45. **No Admission of Liability.** This Settlement Agreement and all related documents are not and shall not be construed as an admission by Defendant or any of the Releasees of any fault or liability or wrongdoing.

46. **Defendant's Legal Fees.** Defendant's legal fees and expenses in this Action shall be borne by Defendant.

47. **Nullification of the Settlement Agreement.** The Parties agree to cooperate fully with each other to accomplish the terms of the Settlement, to use their best efforts to finalize the Settlement, and to use all other efforts that may become necessary by order of the Court, or otherwise, to effectuate the Settlement. In the event: (a) the Court does not preliminarily or finally approve the Settlement as provided herein; or (b) the Settlement does not become Final for any other reason; or (c) the Effective Date does not occur, the Parties agree to engage in follow up negotiations with the intent of resolving the Court's concerns that precluded approval, and if feasible, to resubmit the settlement for approval within thirty (30) days. If the Settlement is not

approved as resubmitted or if the Parties are not able to reach another agreement, then either Party may void this Agreement; at that point, the Parties agree that each shall return to their respective positions on the day before this Agreement and that this Agreement shall not be other procedural changes in used in evidence or argument in any other aspect of their litigation. In the event the Court does not preliminarily or finally approve payments to the Released Subclass and/or the Released Working Subclass, the Parties agree the non-approval of the Released Subclass and/or the Released Working Subclass will not nullify or reduce the Settlement. In the event the Court does not approve payment to the Released Subclass, the removal of the Released Subclass or a reduction to or increase in the payment to the Released Subclass shall not be a basis for nullification of this Settlement. In the event the Court does not approve or reduces the Fee Award, Class Counsel's Costs, Plaintiff's Service Award, or Settlement Administrator Costs, that shall not be a basis for nullification of this Settlement. Purely procedural changes, such as requiring a different *cy pres* recipient or changing the schedule of notice, administration, and/or payments, shall also not be a basis for nullification of this Settlement.

48. **Defendant's Option to Void Settlement.** If more than ten percent (10%) of the total number of Class Members submit timely and valid Requests for Exclusion / Opt-Out Requests, then Defendant shall have the option to void the Settlement in their sole discretion. To exercise this option, Defendant must send written notification to Class Counsel within fourteen (14) days of receiving a report from the Settlement Administrator informing Defendant's Counsel that the total number of timely and valid Requests for Exclusion / Opt-Out Requests is more than ten percent (10%). If Defendant chooses to exercise this option, the effect will be precisely the same as if Final Judgment did not occur, as discussed herein, and all Settlement Administrator Costs incurred by the Settlement Administrator through that date will be paid by Defendant.

49. **Confidentiality.** The parties agree that this Settlement is confidential (except for purposes of enforcement) and that neither Party will issue any press release or other public or non-public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the settlement, which may include publicizing for explanation and assistance purposes the settlement at legal aid agencies likely to be consulted by the Class Members in order to maximize class participation and publicizing for notice and educational purposes the settlement in periodicals and/or radio stations in order to maximize class participation. Other than as specifically set forth above, the parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry or have any communication with the press about this case until after Final Approval. Class Counsel will not utilize this Settlement in any marketing or advertising materials or website until after Final Approval. This does not prohibit Class Counsel from speaking to or responding to inquiries from Class Members.

50. **Inadmissibility of Settlement Agreement.** Except for purposes of settling this Action, or enforcing its terms (including that claims were settled and released), resolving an alleged breach, or for resolution of other tax or legal issues arising from a payment under this Settlement Agreement, neither this Agreement, nor its terms, nor any document, statement, proceeding or conduct related to this Agreement, nor any reports or accounts thereof, shall be construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Parties, including, without limitation, evidence of a presumption, concession, indication or admission by any of the Parties of any liability, fault, wrongdoing, omission, concession or damage.

51. **Computation of Time.** For purposes of this Agreement, if the prescribed time period in which to complete any required or permitted action expires on a Saturday, Sunday, or legal holiday (as defined by Cal. Code Civ. Proc. §§ 12, 12a), such time period shall be continued to the following business day. The term “days” shall mean calendar days unless otherwise noted.

52. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

53. **Amendment or Modification.** This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors in interest. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

54. **Entire Settlement Agreement.** This Agreement with exhibits constitutes the entire Agreement among the Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement other than the representations, warranties, and covenants contained and memorialized in such documents. All prior or contemporaneous negotiations, memoranda, agreements, understandings, and representations, whether written or oral, are expressly superseded hereby and are of no further force and effect. Each of the Parties acknowledges that they have not relied on any promise, representation or warranty, express or implied, not contained in this Agreement. No rights hereunder may be waived except in writing.

55. **Authorization to Enter into Settlement Agreement.** The Parties warrant and represent that they are authorized to enter into this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel shall cooperate with each other and use their best efforts to effect the implementation of the Agreement. In the event that the Parties are unable to reach resolution on the form or content of any document needed to implement this Agreement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Agreement, the Parties shall seek the assistance of the mediator, Steven Pearl, to resolve such disagreement.

56. **Binding on Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of Plaintiffs, Defendant, the Participating Class Members, the Aggrieved Employees, and their heirs, beneficiaries, executors, administrators, successors, transferees, successors, assigns, or any corporation or any entity with which any party may merge, consolidate or reorganize. The Parties hereto represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

57. **Counterparts.** This Agreement may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

58. **No Signature Required by Participating Class Members.** Only the Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Participating Class Members and Aggrieved Employees of the binding nature of the release and such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member and/or Aggrieved Employee.

59. **Cooperation and Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement; hence the drafting of this Agreement shall not be construed against any of the Parties. The Parties agree that the terms and conditions of this Agreement were negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

60. **Governing Law.** All terms of this Settlement Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

61. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

**IN WITNESS WHEREOF**, the Parties and their Counsel have executed this Settlement Agreement as follows:

**PLAINTIFF:** \_\_\_\_\_ Date: \_\_\_\_\_, 2025  
Sarah Magana

**DEFENDANT:** \_\_\_\_\_ Date: \_\_\_\_\_, 2025  
On behalf of Goya Foods of California, Inc.

**DEFENDANT:** \_\_\_\_\_ Date: \_\_\_\_\_, 2025  
On behalf of Goya Foods, Inc.

**APPROVED AS TO FORM BY CLASS COUNSEL:**

\_\_\_\_\_ Date: \_\_\_\_\_, 2025  
Carolyn Hunt Cottrell  
Ori Edelstein  
Elizabeth R. Klos  
**SCHNEIDER WALLACE  
COTTRELL KONECKY LLP**

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Elizabeth Parker-Fawley  
**LAWYERS *for* JUSTICE, PC**  
410 West Arden Avenue, Suite 203  
Glendale, California 91203

**APPROVED AS TO FORM BY DEFENDANT’S COUNSEL:**

Date: \_\_\_\_\_, 2025

\_\_\_\_\_  
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